

REQUEST FOR PURCHASE IN EXCESS OF \$20,000/CHANGE ORDER



To: MAYOR AND CITY COUNCIL

Agenda Item #: IV. I. H.

From: Chad A. Millner, PE, Director of Engineering

The Recommended Bid is

☐ Within Budget

☒ Not Within Budget

Date: June 3, 2014

Subject: Change Order - Contract ENG 14-3 Bredesen Park D & Countryside F Neighborhood Roadway Improvements

Date Bid Opened or Quote Received:

Bid or Expiration Date:

Company:
Palda & Sons, Inc.

Amount of Quote or Bid:
\$424,819.49 for watermain replacement

Recommended Quote or Bid:
Approval of Change Order

General Information:

Please recall the City awarded a \$1,770,081.20 contract to Palda and Sons on February 11, 2014. This project includes the roadways of Aspen Road, Tamarac Avenue, Tamarac Lane, Walnut Drive, and West 60th Street in the Bredesen Park B Neighborhood. The project involves localized rehabilitation of the sanitary sewer, upgrades to the storm sewer system, curb and gutter spot repair or replacements, and reconstruction of bituminous pavement.

March 2014, the watermain required a repair prior to the project start date. Public works staff completed the repair but noticed the bolts holding the cast iron pipe watermain together were rusted beyond their useful life. This was a concern for public works and engineering staff. Public works agreed to conduct several pit investigations of the watermain bolts. These investigations occurred in early April and showed no issue with the bolts. Staff felt this was an isolated issue that was addressed. The watermain break history also did not show the need for a complete watermain replacement.

During Palda's initial operations in May to replace the fire hydrants and gate valves, it was discovered that the watermain bolts were in fact an issue on the cast iron watermain pipe. Replacing just the bolts is not an option and we consider this an emergency fix. With Palda's forces already mobilized, we asked for a price to complete watermain trunk pipe and service pipe replacement along the areas of cast iron watermain. All pipes are cast iron except along Walnut Drive from Vernon Avenue to approximately Aspen Road. This would include the use of temporary water and extend the project duration.

Staff is communicating with the neighborhood about this project change and how it will affect them. While we do not like change orders, especially ones of this magnitude, we feel we did our due diligence investigating the issue and sometimes, no matter the level of planning and data analysis, unforeseen circumstances arise during construction.

REQUEST FOR PURCHASE
IN EXCESS OF \$20,000/CHANGE ORDER

Page 2

This change order is approximately 24% of the original contract amount and will be funded from the utility funds at no additional financial cost to the residents.

Staff recommends approval of this change order.

Attachments: